GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:3122
ANSWERED ON:10.12.2002
CAG REPORT ON MODERN FOOD
AKHILESH YADAV

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Government have received CAG report on disinvestment of Modern Food (India) Limited;

(b) if so, the salient features thereof;

(c) the point on which the objections have been raised therein; and

(d) the action taken by the Government thereon?

Answer

MINISTER OF DISINVESTMENT, MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION AND MINIST
COMMERCE AND INDUSTRY (SHRI ARUN SHOURIE)

(a) to (d) In regard to the disinvestment of Government equity in Modern Food Industries (India) Limited (MFIL), the C&AG forwarded certain observations on 5th July 2001 on appointment of Global Advisors and their scope of work, valuation of plant & machinery, valuation of land & buildings, capital gains tax and cost of voluntary retirement scheme, non-valuation of intangible assets and selection of strategic partner. Detailed reply to the observations of the C&AG was sent on August 31, 2001. The C&AG has not yet given its final report.